

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION
No. 3:12-CV-519**

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

vs.

**REX VENTURE GROUP, LLC
d/b/a ZEEKREWARDS.COM, and
PAUL BURKS,**

Defendants,

ORDER

THIS MATTER is before the Court on the Receiver's Motion to Compel Production of Documents from Recent Movants [Doc. #92] ("Motion to Compel"). For good cause shown, and with the consent of the Receiver and the individuals and entities that are the subject of the Motion to Compel (the "Non-Party Movants"), the Court will GRANT the motion to the extent and on the terms set forth below.

On August 17, 2012, this Court entered its Agreed Order Appointing Temporary Receiver and Freezing Assets of Defendant Rex Venture Group, LLC [Doc. 4]. That order was amended by the Order Granting in Part and Denying in Part Receiver's Motion Seeking Amendment of Agreed Order Appointing Temporary Receiver and Freezing Assets of Defendant Rex Venture Group, LLC [Doc. 21] (collectively, the "Agreed Order"). In the Agreed Order the Court appointed a Receiver to, among other things, recover the assets of Rex Venture Group

LLC ("RVG"), investigate and pursue potential claims of the receivership estate and prevent the dissipation or concealment of receivership property.

Pursuant to the Agreed Order, the Receiver issued subpoenas in late October 2012 seeking documents from a number of individuals and entities the Receiver's investigation leads him to believe are the largest "net winners" relating to RVG, including David Sorrells, David Kettner and Mary Kettner. In addition, documents were sought from Robert Craddock and his company, Fun Club USA, Inc. which the Receiver believes has relevant information concerning RVG. These Non-Party Movants have objected to the content, form and service of the subpoenas.

Without restricting the Receiver's right to seek additional documents from the Non-Party Movants at a later time, and without restricting any of the Non-Party Movant's right to object to any such future requests for documents or other information, the Court, with the consent of the Receiver and the Non-Party Movants, finds that the Receiver is entitled to compel and hereby Orders the Non-Party Movants to produce the following documents, (subject to the form and service requirements discussed below) to the extent such documents are in the custody or control of a Non-Party Movant:

1. Documents reflecting any money the Non-Party Movant paid to RVG (including Zeek Rewards and Zeekler.com) for: (a) monthly subscriptions; (b) retail bid purchases; (c) VIP bid purchases, (d) compliance courses; and (e) any other payments to RVG, to the extent not reflected in the previous documents. In addition, the Non-Party Movants shall produce any spreadsheets, ledgers or other existing documents summarizing such payments.
2. Documents reflecting any money the Non-Party Movant received from RVG (including Zeek Rewards and Zeekler.com).

3. Documents sufficient to state the account number and amount of funds related to RVG in any "e-wallet" account with NxPay, SolidTrustPay or PayZa which a Non-Party Movant contends has been "frozen" or otherwise alleged to be inaccessible.

4. With respect to the RVG "Back Office System," Documents sufficient to show all of the Non-Party Movants' user names and associated email addresses registered with that system and passwords used to access that system.

5. Documents relating to any work or other assistance done for or provided to RVG as an employee, independent contractor, vendor or agent, including, but not limited to, employment or independent contractor agreements, records of compensation for such services and documents evidencing the work done or advice given.

6. Promotional or recruitment documents, not including emails (but including attachments to emails), describing the compensation plan(s), income opportunities, operations, subscription programs or affiliate obligations of ZeekRewards or Zeekler.com.

7. To the extent not produced in response to #6 above, documents, not including emails (but including attachments to emails), describing any governing rules, terms or conditions (including any affiliate or other agreements) related to participation in Zeek Rewards or Zeekler.com.

With respect to the form and service of the issued subpoenas, the Court Orders that, in the event that counsel for the Movants does not accept service and waive objection to the form of the subpoena, the form of the subpoena and required service shall be as follows: the subpoena shall be issued by the Receiver or his counsel from, at the Receiver's option, this Court or the Federal District Court in which the subpoena recipient resides; the documents requested shall be produced by mail or a designated delivery service (pursuant to 26 U.S.C §7502) to the listed

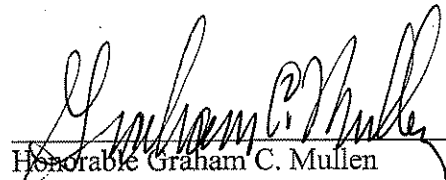
office address of the Receiver in this district; the subpoena recipient shall have at least three (3) weeks to produce the requested documents and the subpoena shall be served, at the Receiver's option, by hand delivery, registered or certified mail or by a designated delivery service (pursuant to 26 U.S.C §7502)(such as Federal Express).

In ordering these procedures, the Court takes due regard of its personal jurisdiction over those entities or individuals located within federal districts in which the Receiver timely and properly filed notices under 28 U.S.C. §754, the provision for actual service on the subpoena recipients and the cost to the Receivership estate of requiring a more burdensome process. The Court finds that the ordered process properly balances these competing factors in the interests of justice and further Orders, with the consent of the parties to this action, that the Agreed Order [Doc. #4] is hereby amended consistent with this Order to govern the Receiver's future subpoenas in this action.

Each party to the Motion to Compel shall bear its own costs, including attorneys' fees.

It is SO ORDERED.

This the 17th day of January, 2013.


Honorable Graham C. Mullen
United States District Judge